

H.R.7010 - Paycheck Protection Program Flexibility Act of 2020

116th Congress (2019-2020)

Sponsor: [Rep. Phillips, Dean \[D-MN-3\]](#) (Introduced 05/26/2020)
Committees: House - Small Business; Ways and Means
Latest Action: 06/05/2020 Became [Public Law No: 116-142](#). ([All Actions](#))
Roll Call Votes: There has been [1 roll call vote](#)

Tracker: 

Introduced

Passed House

Passed Senate

To President

Became Law

Summary(4) Text(6) Actions(16) Titles(6) Amendments(0) Cosponsors(86) Committees(2) Related Bills(2)



There are 4 summaries for H.R.7010.

Public Law (06/05/2020)



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Shown Here:

Public Law No: 116-142 (06/05/2020)

Paycheck Protection Program Flexibility Act of 2020

This bill modifies provisions related to the forgiveness of loans made to small businesses under the Paycheck Protection Program implemented in response to COVID-19 (i.e., coronavirus disease 2019).

Specifically, the bill establishes a minimum maturity of five years for a paycheck protection loan with a remaining balance after forgiveness. The bill also extends the covered period during which a loan recipient may use such funds for certain expenses while remaining eligible for forgiveness. The bill raises the non-payroll portion of a forgivable covered loan amount from the current 25% up to 40%.

The bill extends the period in which an employer may rehire or eliminate a reduction in employment, salary, or wages that would otherwise reduce the forgivable amount of a paycheck protection loan. However, the forgivable amount must be determined without regard to a reduction in the number of employees if the recipient is (1) unable to rehire former employees and is unable to hire similarly qualified employees, or (2) unable to return to the same level of business activity due to compliance with federal requirements or guidance related to COVID-19.

Additionally, the bill revises the deferral period for paycheck protection loans, allowing recipients to defer payments until they receive compensation for forgiven amounts. Recipients who do not apply for forgiveness shall have 10 months from the program's expiration to begin making payments.

The bill also eliminates a provision that makes a paycheck protection loan recipient who has such indebtedness forgiven ineligible to defer payroll tax payments.

Lastly, the bill is designated as an emergency requirement pursuant to the Statutory Pay-As-You-Go Act of 2010 (PAYGO) and the Senate PAYGO rule.